

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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IN REPLY PLEASE
REFER TO FILE: C-1

December 6, 2005

The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, CA 90012

Dear Supervisors:

AWARD OF PUBLIC WORKS CONSTRUCTION CONTRACTS SUPERVISORIAL DISTRICTS 4 AND 5 3 VOTES

IT IS RECOMMENDED THAT YOUR BOARD:

Award and authorize the Director of Public Works or his designee to prepare the construction contracts in the form previously approved by County Counsel, execute the contracts, and establish the effective dates following receipt of approved Faithful Performance and Labor and Material bonds filed by the contractors for the following:

Project ID No. OSD0000009 - Poppyfields Area Street Light Improvements, vicinity of Altadena (5), to Comet Electric, Inc., in amount of \$2,519,425.00.

Project ID No. RDC0014719 - Telegraph Road at Ceres Avenue, vicinity of La Mirada (4), to Christopher R. Morales, Inc., in amount of \$88,791.00.

Project ID No. WWD4000003 - Water Security Improvement Project, vicinities of Lancaster and Desert View Highlands (5), to Alfa 26 Construction Company, in amount of \$1,852,000.00.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

We are recommending that your Board award these construction contracts and authorize the Director of Public Works, or his designee, to execute the contracts and establish the effective contract dates following receipt of approved bonds and insurance filed by contractors for each of these projects.

The enclosure for each project includes the project description, the call for bids and bid opening dates, a tabulation of bids, and financial information. The certified record of receipt of bids and the original bid proposals for each project are also enclosed, including addenda to the contract specifications for Project ID Nos. OSD0000009 and WWD4000003.

The recommended construction contracts are necessary to execute Board-directed and approved Public Works projects in support of operational missions. Your Board's approval of the recommended contract awards and our subsequent execution of the contracts will ensure the timely completion of the projects.

Implementation of Strategic Plan Goals

The award of these construction contracts is consistent with the County Strategic Plan Goal of Service Excellence since these contracts will provide improved infrastructure to better serve the public.

FISCAL IMPACT/FINANCING

The enclosure for each project includes the amount of the recommended contract as compared with the engineer's estimate and the other bids received.

These projects are included in the 2005-06 Department of Public Works Budget. The enclosure for each project includes more detailed fiscal and financial information.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Recommended contract awards are to the lowest responsible bidders in accordance with the California Public Contract Code and your Board's directives.

On October 27, 1981, your Board adopted a program for the use of small Minority and Women-owned Businesses (MWBEs) on Federal- and State-funded highway construction contracts. Companies meeting these requirements are certified by the State as Disadvantaged Business Enterprises (DBEs). An overall goal for subcontracting portions of the work to DBEs is established for each project. Contracts are recommended for award to the lowest responsible bidder who meets the goal or documents a good faith effort to do so in conformance with the program.

We have also developed an outreach program to encourage all qualified contractors to participate in the bidding and contracting process on our projects. Under this program, we place notices of upcoming bids in local and minority newspapers throughout the County. These notices indicate that copies of plans and specifications are available at specified libraries and the Public Works Headquarters building. This allows interested contractors to view the plans and specifications at convenient locations. We also provide telephone numbers (including one for Spanish-speaking contractors) to obtain further information on bidding and subcontracting opportunities.

To further increase contractor awareness of contracting opportunities with Public Works, each of these projects was listed on the County website for upcoming bids.

The State Labor Code requires contractors to pay prevailing wage rates to all persons employed on public works construction contracts. These rates are determined by the Department of Industrial Relations and include contributions for fringe benefits such as vacations, pension funds, training, and health plans for each employee.

As required by your Board, language has been incorporated into the project specifications stating that the contractor shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the Federal income tax laws.

The contracts will be in the form previously approved by County Counsel. We will also review and approve the faithful performance and payment bonds filed by the contractors.

ENVIRONMENTAL DOCUMENTATION

Each of these projects was found to be categorically exempt from the provisions of the California Environmental Quality Act at the time your Board called for bids. The specifics of these findings are included in the enclosure for each project.

CONTRACTING PROCESS

The contracts were solicited on an open competitive basis in accordance with the provisions of the Public Contract Code.

The project specifications contain provisions requiring the contractor to report solicitations of improper consideration by County employees and allowing the County to terminate the contract if it is found that the contractor offered or gave improper consideration to County employees.

Public Works has confirmed that all of the respective contractors are in compliance with the County's Child Support Compliance Program and the requirements of the Contractor Employee Jury Service Program. In addition, the contracts will include language requiring compliance with the Newborn Abandonment Law (Safely Surrendered Baby Law).

The project specifications also contain a provision that, should the contractor require additional or replacement personnel to fill employment openings, consideration shall be given to hiring qualified participants in the County's Greater Avenues for Independence or General Relief Opportunities for Work Programs.

To ensure that the contracts are awarded to responsible contractors with satisfactory performance histories, bidders are required to report False Claims Act violations, labor law/payroll violations, debarments, their civil litigation history, and information regarding prior criminal convictions. The information reported by all of the respective contractors was considered before making this recommendation to approve execution of the contracts.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

These construction contracts will result in improved public works infrastructure in the communities where the work is scheduled. Where appropriate, local residents and businesses will be informed that traffic and local access may be mildly disrupted during the construction. The proposed schedules for construction are included in the enclosure for each project.

CONCLUSION

Please return one adopted copy of this letter to Public Works.

Respectfully submitted,

DONALD L. WOLFE Director of Public Works

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cc: Chief Administrative Office

County Counsel

Office of Affirmative Action Compliance

AWARD OF CONTRACT December 6, 2005

PROJECT ID NO. OSD0000009, POPPYFIELDS AREA STREET LIGHT IMPROVEMENTS (in the vicinity of Altadena), Supervisorial District 5

TYPE OF WORK: Installation of conduits, conductors, pull boxes, retrofit kits, and

lamps to upgrade the existing antiquated and poorly functioning

street lighting system.

CALL FOR BIDS DATE: August 30, 2005 (Synopsis 59)

BID OPENING DATE: October 25, 2005

BID SUMMARY:

Low Comet Electric, Inc., a corporation \$2,519,425.00 7760 Deering Avenue Canoga Park, California 91304 (818) 340-0965

2 *Steiny and Company, Inc.

\$2,934,740.00

*MWBE

MS Navarro Engineering was the apparent low bidder with a bid of \$760,512.39; however, they requested that their bid be withdrawn due to a clerical error resulting in a significant underbid. Our review confirmed that a bonafide clerical error had been made and that MS Navarro Engineering should be relieved of its bid proposal as provided in the "Instructions to Bidders." Therefore, we recommend award of the contract to the next lowest, responsible bidder.

FINANCIAL INFORMATION:

Amount of estimate	\$ 927,950.00
Amount of recommended contract	\$2,519,425.00
Amount of recommended contract above estimate	\$1,591,475.00

The amount of the recommended contract is 172 percent above the estimate which was based on recent contract prices for similar items of work. The substantial difference between the estimate and bid amounts is due to the increase in fuel prices, project site soil conditions and the recent cost increase of PVC pipe. While the bid price is higher than the estimate, the bids received are competitive, and readvertising the project will result in increased contract administration costs and delay construction with no guarantee that lower bids will be received. Therefore, we recommend award of the contract to the low bidder.

Sufficient funds are available in the County Lighting Maintenance District.

MINORITY/WOMEN-OWNED BUSINESS ENTERPRISE DATA:

Comet Electric, Inc., has no MWBE subcontractors/suppliers under this contract. This contract does not have a Federal or State DBE goal.

ENVIRONMENTAL IMPACT:

This project is categorically exempt pursuant to Class 1, Subsection (x)(22), and Class 2, Subsection (e), of the revised County Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987.

CONSTRUCTION SCHEDULE:

The contract specifications require the work to be completed in 120 working days. It is estimated that the work will start in February and be completed in August 2006.

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AWARD OF CONTRACT December 6, 2005

PROJECT ID NO. RDC0014719, TELEGRAPH ROAD AT CERES AVENUE (in the vicinity of La Mirada), Supervisorial Districts 4

TYPE OF WORK: Installation of traffic signals, striping and pavement markings, and construction of curb ramps.

CALL FOR BIDS DATE: October 18, 2005 (Synopsis 29)

BID OPENING DATE: November 15, 2005

BID SUMMARY:

Low	*Christopher R. Morales, Inc., a corporation 15100 East Nelson Avenue Industry, California 91744 (626) 968-3771	\$ 88,791.00
2	Oak Engineering, Inc.	\$103,939.00
3	*Steiny and Company, Inc.	\$123,058.00
4	Terno, Inc.	\$132,513.00
5	MSL Electric, Inc.	\$135,657.00

^{*}MWBE

FINANCIAL INFORMATION:

Amount of estimate	\$77,746.10
Amount of recommended contract	\$88,791.00
Amount of recommended contract above estimate	\$11,044.90

The amount of the recommended contract is 14 percent above the estimate, which was based on recent average contract prices for similar items of work. However, since the bids received were competitively priced, we do not believe that readvertising the project will result in lower bids. Therefore, we recommend award of the contract the lowest bidder.

Sufficient funds for this project are included in the Fiscal Year 2005-06 Road Fund Budget.

MINORITY/WOMEN-OWNED BUSINESS ENTERPRISE DATA:

Christopher R. Morales, Inc., has no MWBE subcontractors/suppliers under this contract. This contract does not have a Federal or State DBE goal.

ENVIRONMENTAL DOCUMENTATION:

This project is categorically exempt pursuant to Class 1, Subsections (x)(5), (x)(16), and (x)(22), of the revised County Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987.

CONSTRUCTION SCHEDULE:

The contract specifications require the work to be completed in 30 working days. It is estimated that the work will start in January and be completed in February 2006.

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AWARD OF CONTRACT December 6, 2005

PROJECT ID NO. WWD4000003, WATER SECURITY IMPROVEMENT PROJECT (in the vicinities of Lancaster and Desert View Highlands), Supervisorial District 5

TYPE OF WORK: Installation of security systems for nine water facilities including

closed-circuit television monitors, remote cameras, motion sensors, and digital video recorders; construction of concrete block walls, fences, gates, bars for window, skylights, vents, and doors; and

other appurtenant work.

CALL FOR BIDS DATE: October 11, 2005 (Synopsis 66)

BID OPENING DATE: November 15, 2005

BID SUMMARY:

Low	Alfa 26 Construction Company, a general partnership composed of Faryam Corporation, Inc., and Alpine Construction & Electrical Corporation, both corporations 1044 Pico Boulevard Santa Monica, California 90405 (310) 452-2626	\$1,852,000.00
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2	Spiess Construction Co., Inc.	\$1,859,740.00
3	Southwest Engineering, Inc.	\$1,873,750.00
4	*Stronghold Engineering, Inc.	\$2,124,405.00

^{*}MWBE

FINANCIAL INFORMATION:

Amount of estimate	\$1,664,911.00
Amount of recommended contract	\$1,852,000.00
Amount of recommended contract above estimate	\$ 187,089.00

The amount of the recommended contract is 11 percent above the estimate, which was based on recent average contract prices for similar items of work. However, since the bids received were competitively priced, we do not believe that readvertising the project will result in lower bids. Therefore, we recommend award of the contract to the lowest bidder.

Sufficient funds to cover the cost of this project are included in the Fiscal Year 2005-06 Accumulative Capital Outlay Fund of Waterworks District No. 40, Antelope Valley. A portion of the cost of the closed-circuit television monitors and remote cameras will be reimbursed through a grant from the Federal Department of Homeland Security.

MINORITY/WOMEN-OWNED BUSINESS ENTERPRISE DATA:

Alfa 26 Construction Company has one MWBE subcontractor/supplier under this contract, yielding a proposed MWBE participation of 10 percent. This contract does not have a Federal or State DBE goal.

ENVIRONMENTAL IMPACT:

On July 19, 2005, your Board found that this project is categorically exempt pursuant to Class 1, Subsections (i) and (m), of the revised County Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987, and Section 15303(e) of the California Environmental Quality Act Guidelines.

CONSTRUCTION SCHEDULE:

The contract specifications require the work to be completed in 160 working days. It is estimated that the work will start in January and be completed in August 2006.

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